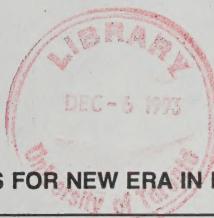


Ministry  
of  
FinanceMinistère  
des  
FinancesCADON  
TR  
-N26FOR IMMEDIATE RELEASE:  
November 29, 1993

## LAUGHREN CALLS FOR NEW ERA IN FEDERAL-PROVINCIAL RELATIONS

**Toronto** — Ontario Minister of Finance Floyd Laughren released the 1993 Economic Outlook for the province today, and called on the federal government to join the province in creating jobs, building Ontario's infrastructure, and maintaining quality public services.

"We're seeing very positive signs that the province has come through the worst downturn since the 1930s", Laughren said. "Indicators for 1993 show us that the recovery is well under way and is set to gain momentum."

The Ontario Finance Minister attributed this more positive outlook in part to the success of Ontario's policies in creating jobs. "This Government is investing almost \$4 billion a year to improve Ontario's infrastructure and put people back to work, and over \$9 billion on training and education," Laughren said. "We are helping people and companies adjust to structural changes in the economy, and working with the private sector to move the economy to higher-value added activities."

Laughren noted that while the province's policies are working, there remains untapped potential for co-operation with the federal government.

"We are looking forward to a new, revitalized era of federal provincial co-operation," Laughren said, emphasizing that Ontario expects fair and equal treatment for people of all provinces. "Partnership is an imperative in today's economic and fiscal environment."

"Job creation and economic growth must be the fundamental and shared priorities of all governments. We are inviting the federal government to work with us -- to help get people back to work, invest in infrastructure and meet our common fiscal challenges."

Laughren said he welcomed the federal infrastructure initiative "as a sign that the new federal government shares our conviction, demonstrated by our own infrastructure and training programs, that government has a key role in job creation and economic renewal." Laughren said he hoped the new federal government would focus on full-employment policies rather than on inflation, which is now at the bottom of the Bank of Canada's own target range.

The Economic Outlook document indicates that Ontario's economy continues to recover steadily, and will gain momentum over the next three years, outpacing growth in all G-7 economies.

The document forecasts real economic growth in Ontario of 2.1 per cent this year and 3.4 per cent in 1994, with output increasing at an average annual rate of 4.3 per cent in the 1995-1997 period.

Rising exports and expanded business investment have led the recovery to date and are expected to remain strong over the forecast period of 1994-1997, when the recovery becomes more broadly-based. Improvements in consumer spending and the housing sector are also expected to contribute to growth over the medium term.

Overall employment in Ontario has increased in 1993, the first net increase in jobs since 1989. Over 100,000 new jobs have been created since the job recovery began in May 1992. Job creation will strengthen in 1994 and then average 2.5 per cent -- or 124,000 net new jobs annually -- over the 1995-1997 period.

The document also forecasts continuing low inflation and low interest rates through the forecast period.

The Economic Outlook will be sent to the Standing Committee on Finance and Economic Affairs for discussion.

- 30 -

Contact: Bob Kanduth  
Communications Branch  
(416) 325-0333

*Ce communiqué est également disponible en français*

3 1761 114706427